NRW Holdings Limited 2015 Annual General Meeting (23 November 2015)

CHAIRMAN'S ADDRESS

As I stated in my covering letter to the Annual Report, 2015 was a year of challenging market conditions and disappointing financial results.

Quoting Charles Dickens "It was the best of times and it was the worst of times"

For NRW this was most evident in respect of the Roy Hill Rail contract for Samsung and the resultant legal action that we were forced to pursue.

The market and shareholders are now aware that NRW have reached a financial settlement with Samsung that resolves all legal matters. Our CEO Jules Pemberton will address this in his presentation.

One of the outcomes of this very distressing and disappointing experience was the implementation of a wide range of cost cutting measures.

A thorough and exhaustive analysis of the situation has led to a restructuring of the executive management team and changes are ongoing across the complete range of activities which contribute to our contracting business.

We are determined that controls will be improved and instigated where necessary to prevent situation from being repeated.

Another more general effect of the wider slowdown being experienced across the sector has been the large number of redundancies from our workforce during year.

These were regrettable, but absolutely necessary in order to return the Company to a profitable footing.

I would at this juncture like to thank, on behalf of the Board, Mr John Cooper, who indicated some time ago of his decision, for personal reasons, to retire from the Board. At my request he continued to assist and add a valuable contribution to seeking appropriate resolution to the serious issues that the Board had to deal with in the latter part of the year.

The Board thanks John for his valuable counsel not only of recent times but over his years on the team and wishes him well.

There are also two further specific issues that I want to address today.

Firstly we have addressed the approach to remuneration resulting in changes to fixed remuneration, more aligning rates (particularly senior executives) and the long term incentives to be applied to the management team to recover shareholder value and likewise strengthen the balance sheet.

As part of that process the Board is currently negotiating a revised salary package with the Chief Executive Officer. Details of his new package will be announced when it is finalised.

Secondly, the Board is implementing a process of refreshment and renewal and will modify as necessary processes and procedures to better reflect the significant changes which have occurred in recent times.

I have also indicated to the Board that it is my intention to retire as soon as a suitable replacement is identified. It has been a pleasure serving on the NRW board since its listing in 2007 but after 8 years as Chairman it is the right time for a transition.

It remains only for me to thank my fellow Board members, management, staff, stakeholders and shareholders for their support during these challenging times.

As NRW enters its 21st year of operations I remain confident we will bounce back with that continued support.

Thank you.